

**MINUTES OF THE
NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT INTERIM COMMITTEE**
Wednesday, October 15, 2008 – 9:00 a.m. – Room W020 House Building

Members Present:

Rep. Roger E. Barrus, House Chair
Sen. Margaret Dayton
Sen. Dennis E. Stowell
Sen. Michael G. Waddoups
Rep. Melvin R. Brown
Rep. Glenn A. Donnelson
Rep. Jack R. Draxler
Rep. Carl W. Duckworth
Rep. James R. Gowans
Rep. Neal Hendrickson
Rep. Michael E. Noel
Rep. Patrick L. Painter
Rep. Stephen E. Sandstrom
Rep. Bradley A. Winn

Members Absent:

Sen. Darin Peterson, Senate Chair
Sen. Gene Davis
Rep. Sylvia S. Andersen
Rep. Kerry Gibson
Rep. John G. Mathis
Rep. Phil Riesen

Staff Present:

Mr. J Brian Allred, Policy Analyst
Ms. Emily Brown, Associate General Counsel
Ms. Chelsea Barrett, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Barrus called the meeting to order at 9:12 a.m. He noted that Rep. Riesen and Sen. Peterson were excused from the meeting.

MOTION: Rep. Donnelson moved to approve the minutes of the September 17, 2008 meeting. The motion passed unanimously. Sen. Dayton, Sen. Waddoups, Rep. Duckworth, Rep. Noel and Rep. Winn were absent for the vote.

2. Utah's Natural Gas Industry

Mr. Brad Miller, General Manager, Uinta Basin Operations, Independent Petroleum Association of Mountain State (IPAMS), explained that IPAMS is an independent company and is dedicated to producing clean-burning natural gas in the most environmentally responsible manner. Mr. Miller explained the importance of government support for a continued good business climate in Utah and noted that the production side of IPAMS is doing their best to provide affordable, clean energy with minimal environmental impact.

Ms. Kathy Van Dame, Utah Clean Air Coalition, discussed the air quality risks faced by the Uinta Basin.

Mr. Darrell Hafen, Dixie Power, spoke about natural gas vehicles and the importance of supporting Utah's natural gas industry.

3. Oil Shale Development

Ms. Laura Nelson, Chair, Oil Shale/Tar Sands Committee, Utah Mining Association (UMA), distributed "Development of Utah Oil Shale and Tar Sand Resources," which summarized findings of the UMA. Ms. Nelson explained the value of legislative foresight and support of this program and noted the

importance of working together and incorporating accessible education on the topic. She explained that the UMA is committed to long term planning and cooperation amongst the many parties.

Chair Barrus asked when this development will likely move forward. Ms. Nelson noted that on federal land it will take longer to see results; somewhere around three to five years is expected. She stated that on private lands, commercial development could be possible within two years.

Mr. David Litvin, President, UMA, explained that oil shale and tar sands are resources that the United States has in abundance, and it is time to move forward on capitalizing on these resources.

Mr. Michael McKee, Uintah County Commissioner, explained his support for oil shale development and incentives. He explained that the opportunity to develop the resources is available, but there needs to be cooperation between the local, state, and federal governments. He explained that the infrastructure in Utah needs improvements.

The Committee discussed the presentation.

4. Energy Development

Ms. Dianne Nielson, State Energy Advisor, presented the Energy Advisor Report, discussing renewable and nonrenewable energy resources in Utah. Ms. Nielson explained that the state's objectives are to review energy resources, provide opportunity and remove obstacles for development of renewable resources, and to look for trends in energy development. She reviewed data on energy production. Ms. Nielson also highlighted the importance of mining safety and the valuable resources of oil shale and tar sands in Utah. She briefly discussed the Renewable Energy Task Force established by the Governor and noted that they are currently meeting to identify where renewable energy is located and accessible in Utah.

Chair Barrus noted that the energy policy should be all encompassing. He explained that the Committee is not expected to approve this policy, but rather seek the input from the presenters representing the executive branch.

Mr. Hafen noted the importance of community participation with energy development.

Mr. Litvin explained that the United States has always been able to provide affordable, reliable, and available energy.

5. Draft Legislation, "Penalties for Destruction of Bald Eagle"

Chair Barrus explained that because of time constraints, this agenda item will be discussed at the next meeting.

6. Recodification of Natural Resources Sections of the Utah Code

Ms. Brown explained changes made in 2009 General Session draft legislation, "Recodification of Natural Resources Code - Chapter 3." She noted the one substantive change on line 474 and further noted that the Legislature tries to avoid intent statements while drafting and recodifying bills to avoid ambiguity. She

stated that the Department of Natural Resources and the Utah Geological Survey have received the draft legislation with the recommended changes.

Mr. Kevin Carter, Utah Trust Lands Administration, explained that he supports the changes proposed, but has not had time to substantively go through the draft legislation.

Mr. Dick Buhler, Director, Division of Forestry, Fire and State Lands, explained that he has not had the opportunity to review the legislation, but does support the changes as have been outlined.

The Committee discussed this presentation and draft legislation.

MOTION: Rep. Hendrickson moved to adopt 2009 General Session draft legislation, "Recodification of Natural Resources Code - Chapter 3," as a committee bill, which will be combined with other components of the finalized recodification. The motion passed unanimously with Sen. Waddoups, Rep. Duckworth and Rep. Gowans absent for the vote.

7. Draft Legislation, "Surface Coal Mining Amendments"

Ms. Brown referred to 2009 General Session draft legislation, "Surface Coal Mining Amendments," which was mailed to the Committee prior to the meeting, and discussed the technical changes made in the draft legislation.

Mr. John Baza, Utah Division of Oil, Gas and Mining, explained that although these changes are technical, it is an important update in order to match state law to federal requirements.

MOTION: Sen. Stowell moved to accept 2009 General Session draft legislation, "Surface Coal Mining Amendments" as a committee bill. The motion passed unanimously with Sen. Waddoups, Rep. Duckworth and Rep. Gowans absent for the vote.

Sen. Stowell offered to sponsor the draft legislation.

8. Other Business / Adjourn

MOTION: Sen. Stowell moved to adjourn. The motion passed unanimously with Sen. Waddoups, Rep. Duckworth, and Rep. Gowans absent for the vote.

Chair Barrus adjourned the meeting at 12:00 p.m.